

HAMILTON COUNTY SOLID WASTE BOARD
MAY 27, 2003

President Altman called the May 27, 2003 meeting of the Hamilton County Solid Waste Board to order. Roll call was taken by the Auditor. A quorum was declared present.

Approval of Minutes:

Steve Dillinger motioned to approve the minutes of April 28, 2003. Jim Belden seconded. Motion carried unanimously.

Unfinished Business

Solid Waste Tax Levy:

Christine Altman stated she would like to discuss what needs to be done to proceed with establishing a Solid Waste levy and levy limit. Mike Howard stated the Auditor's office, with the resolution and County Council's approval of the levy and the Council's agreement to match the levy with the appropriate amount of COIT, was sent to the Department of Local Government and Finance (DLGF) along with the proposed 2004 budget. The DLGF will send back the budget sheets to be completed by the Auditor, to set a maximum property tax levy. The Control Board hearing has been set for June 26, 2003. Presuming that levy is approved, that would be your not to exceed number for the budget. There are two counter balancing issues - one is that this Board will do everything they can to make the levy as low as possible, however understand once that initial levy is in you become subject to the 5% maximum increase in that levy in subsequent years. In looking at the budget you may want to cross items out, but if you cross them out this year then you will have to be very creative if you want to put in any substantive numbers back in next year. Mike stated he met with Robin Mills and Kim Rauch last week. The State Tax Board has provided information to the Auditor that the Solid Waste Board is a separate governmental unit and you must have your own EIN number, etc. It has been determined that we will need to work with interlocal agreements, assuming you want these employees to be treated like other county employees in terms of benefits, insurance, etc. Because it is a separate unit of government one of the costs that has jumped up is the amendment to our financial software package with an estimated cost of \$18,000.00. Christine asked if we could operate with contract employees? Why couldn't the Solid Waste Board contract with Hamilton County to provide personnel? Mike stated you could have an interlocal agreement. You will the issue that all payroll taxes will have to be recorded on a separate EIN number. Christine stated not if we have a contract situation, it is just like going to Manpower and asking them to provide employees on a leased employee basis. Kim Rauch stated there is still the software issue for accounts payable. Mike stated that could be addressed through an interlocal agreement. Christine wants to look at the alternatives. Mike stated we will start work on the interlocal agreement. Mike asked Jim Belden if County Council will name the Auditor as controller and he asked if Mike Reuter can be used to calculate the tax rate information? Jim indicated that was ok.

Mike stated the Auditor will need instruction, if you want the total budget number reduced. Mike stated traditionally the Control Board will defer to the local unit if everything can be explained as reasonable. Jim stated we don't want it to be too low nor do we want it to be exorbitantly high. Christine stated we don't have control over the

volume of items brought in, that is her biggest concern. When you have an artificial levy limit and you don't know what the usage is going to be, she would like to have room in the levy. She does not mind telling the local control board that we don't have control over that and we have asked high and it is up to their discretion and our Board will set it at the rates we think are necessary and go from there. We have control over it and the statute controls how much we can go up each year, which she believes is 0083. We had a revised budget of \$476,000 which did not include any repayment amounts to the county or a repayment amount to Carmel or any jurisdiction that provides this service, which she thinks we should have. This is her personal philosophy. Jim asked if her comments include the repayment to County Council? Christine stated we are not contractually obligated to do either one of them. We are not obligated to send money back to any jurisdiction that provides their own. If they don't provide their own, we are going to pick up a portion of the solid waste here. Jim stated originally we supplemented the HHW budget to \$170,000. Jim asked if you are saying that if there were sufficient funds in here to repay back that \$170,000? Christine stated in this budget there is, but the \$400,000 budget there is not. Mike stated you could split the \$170,000 over a couple of years to flatten the rate.

(12:12:06) Barry McNulty stated his concern is not to get too detailed in our actual year to year budget that we will establish with the Board each year. The budget he first put together is a budget to grow with. Every month he sees us growing, his concern and instructions were that this is the one time you set your rate, so set it relatively high, that has no reflection of what your annual budget will be. We will do that line item by line item, but leave ourselves room to grow. That is why it is so high, there are repayments to Carmel. The repayment to Council, which will not be every year. The Carmel repayment is every year. He is looking for direction from the Board of what they think a fair amount of payback is. His concern is that we leave ourselves room to grow. May has been our largest month yet, with almost 700 customers. We need to leave room to grow. Christine stated we don't have a cash balance to start with either. Mike stated there will be COIT coming in every month. Steve Holt asked if the State grant will give us some breathing room? Steve stated we could say to the County we have paid you back the \$60,000 of the \$170,000. Christine stated the interlocal agreement we had from last year anticipates Council will lend 6 months budget. Her point on the tax levy is that generally you build it up with your tax levy where you control it yourself and set your rate accordingly with a cash balance. Typically with a first budget you have it a little bit higher so what you don't spend reverts back in to your cash balance in 2004. Mike asked if the \$170,000 a net number? Barry stated it was \$170,000 above what the agreement was to start, the agreement was \$143,000 a year. We requested an additional of \$80,000. The budget for 2003 was \$223,000. The additional and the overage for 2003 was the \$170,000. On our year to year budget, we don't put fluff in our budget. Steve Holt asked if it should be \$170,000 now or \$110,000? Jim asked by supplementing the payment back with the \$60,000 grant? Steve Holt stated yes. Christine thinks the money will go back into the general fund. Barry stated in 2002 we received \$45,000 and he is just finishing it up and we should get most of the additional \$15,000 back. Dan Henke asked where does the grant money go? Robin Mills stated it goes in to the 307 fund, which is Household Hazardous Waste Fund. Steve Holt stated effectively \$60,000 less than what the council budgeted will go out of general into 307? Robin stated they have always

funded the full budget and the \$60,000 is not part of that. Barry stated in 2003 we will get \$45,000 up front and \$15,000 reimbursable in 2004. Robin stated the Council has funded the full budget and we have received the grant on top of that. Steve Holt asked where is the money? Robin stated we would have to look at the 307 fund. Steve Holt asked if we should change the Council repayment to \$110,000 from \$170,000 because that \$60,000 is here in the County somewhere.

Christine stated that issue is a budgetary issue when we adopt the budget. We need to determine, at this meeting, what number do we want to submit to the State for a levy limit that will only increase 5% a year. When we go through the budget process we will know about contract labor and what we are going to pay and actually establish the levy for 2004. Jim stated he will look into this and trace it and get an answer for Steve Holt. Steve Holt asked if we ask for the maximum levy and in the budget process we come up with a number 20% less, then next year do we have a 5% growth level on the 20% less or on the original levy? Christine stated on the original levy.

Jim asked what is the rate if we went with the \$947,000? Does half of that come from COIT? The rate pertains to the amount collected for Household Hazardous Waste which would be \$450,000? Christine stated that goes back to what we initially projected. Initially it was \$10.00 per household if your property was worth \$250,000. That was 100% property tax. If we cut back and use COIT then it divides it almost in half. The Solid Waste statute caps the rate at .083.

(12:29:15) Jim Belden motioned to approve this budget of \$947,000.00. Steve Dillinger seconded. Dan Henke stated his understanding of the purpose of the vote is it is not a vote on the actual budget itself, but the proposed budget to submit to the State to set a maximum levy. Jim stated that is his intention. Christine stated that is correct. Jim Belden, Steve Dillinger, Christine Altman, Dan Henke approved. Steve Holt opposed. Motion carries 4-0.

Household Hazardous Waste Center Update:

Steve Wood stated the Household Hazardous Waste Center has had 629 people in 18 days. He has spoken with the Town of Fishers Fire Department, who was unaware we existed, and gave them information. Delaware Township participation is starting to go up. Over 7,000 items have been brought in. The holiday weekend was bad, the dumpsters were full. The City of Noblesville helped get them cleaned up first thing this morning.

(12:33:17) Jim Belden motioned to adjourn the meeting. Steve Dillinger seconded. Motion carried unanimously.

Present

Christine Altman
Steven Dillinger
Steven Holt
Jim Belden
Dan Henke
Robin Mills
Mike Howard
Barry McNulty
Stephen Wood

Kim Rauch